

Message

From: Bonita Stewart [bonita@google.com]
Sent: 10/19/2020 3:48:54 PM
To: German Santana [germansantana@google.com]
Subject: Re: [Vox Media] 2020 Ad Manager renewal terms - our ask to GPX

Thanks for your patience. I am good with this. Apologies for the delay in response.

B

On Tue, Oct 13, 2020 at 5:46 PM German Santana <germansantana@google.com> wrote:
Hi Bonita,

The average effective PA revenue share for N&P is [REDACTED]. Our ask to GPX yields an effective PA revenue share of [REDACTED].

I should note that our initial offer to Vox will reflect higher than approved tiers which will yield an effective PA revenue share of [REDACTED].

Let me know if you have any questions,
Germán



Germán Santana
Global Partnerships
germansantana@google.com
Google NYC



On Tue, Oct 13, 2020 at 10:42 AM Bonita Stewart <bonita@google.com> wrote:
How does this compare to other partners where we have offered PA deal thresholds? Is it aggressive enough or on par with other partner deals that have been approved at GPX?

B

On Tue, Oct 13, 2020 at 10:27 AM German Santana <germansantana@google.com> wrote:
Hi Bonita,

I hope you are well -

Prior to GPX on **November 3rd**, we wanted to share with you the Ad Manager renewal terms for **Vox Media** that we are proposing. The GPX summary doc is [here](#). See requested terms below and please let me know if you have any questions or concerns.

Deal Value (24 Months): [REDACTED] gross, [REDACTED] net, [REDACTED] Net Revenue Margin (flat vs prior deal terms). Financial model [here](#).

Deal Summary: Two-year deal incentivizing the partner to strengthen their PG and PMP business and keep their full PMP business within AdX.

We are seeking GPX approval for the proposed terms below. There are no AdSense and X-Google aspects to the deal.

Key Asks:

- **Maintain** PG preferred rate at [REDACTED]
 - Growth accelerated in '17 until '19 where PG saw a **238% growth**. In 2020, like much of the publishing market, PG demand for Vox Media softened. Still, Vox's prior growth and embracing of PG keeps us confident that a favorable revenue share will incentivize product adoption and growth.
- **Introduce** PA tiers to achieve [REDACTED] and [REDACTED]
 - Despite the market slowdown, Vox Media has managed to keep their PA performance flat. '18 was a strong year for PA with a 40% growth. In the next 2 years, PA is expected to grow 22% in both years.
 - To promote growth and to protect Vox's PA business within the AdX ecosystem. The following tier structure is proposed:

Year	Tier	Revenue Share
[REDACTED]	[REDACTED]	[REDACTED]

- The **walk-in offer to Vox** will include the tiers below. The tier structure above is the **minimum** we are asking for GPX approval in order to have room for negotiation with Vox.

Year	Tier	Revenue Share
[REDACTED]	[REDACTED]	[REDACTED]

- Extend the current deal for up to 3 months (per partner request in the event more time is needed as they have had attrition). Current agreement is set to expire at the end of December.

Key Things we'll seek in negotiation:

- **PA tiers** to signal our expectations for growth in exchange for renewing their discounted rev shares.

- **PG.** To ensure they understand our desire for them to continue to grow PG, we will ask Vox Media for the following:
 - Provide a PG pipeline update with focus on converting direct/reservation IOs to PG on a periodic basis (e.g once a quarter).
 - Commitment, where applicable, to doing a Vox Media-Google PG case study e.g How Concert leverages Google Ad Manager to achieve efficiency in the marketplace.

Thank you,

Germán and Yash



Germán Santana

Global Partnerships

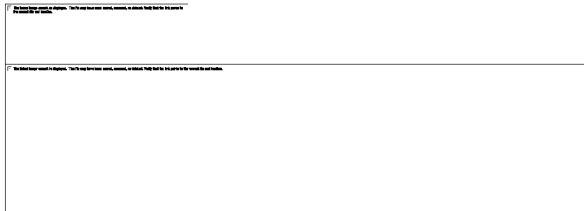
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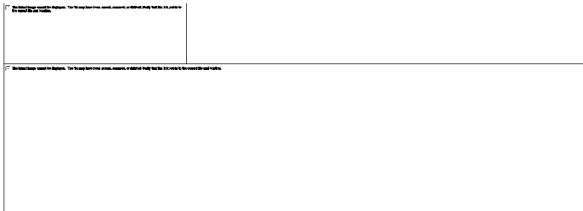


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